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TOP SECRET

FUNCTIONS: NRO

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON 25, D. C.

[redacted]-6788-63

August 22, 1963

MEMORANDUM FOR RECORD

SUBJECT: Mr. McCone's Concerns Regarding NRO

At a luncheon meeting today with General Carter, Doctors Fubini and Wheelon and myself, Mr. McCone expressed concern along the following three lines regarding the NRO as it is presently functioning:

1. According to the original concept of NRO and as reflected in the basic CIA-DoD agreement concerning it, it was not intended that NRO would function as a line organization but rather that it would manage as a combined enterprise the existing activities in the reconnaissance field, tasking to existing organizations the actual reconnaissance operations. Mr. McCone considers that in practice there has been a departure from this concept and that, at least in the case of CIA operations, the practice should conform to the concept. He is willing, however, to accept a line type organization for NRO within the Defense Department if the latter considers this desirable. In other words, he would accept a hybrid type of operation for NRO.

2. Mr. McCone considers it essential to preserve and utilize fully reconnaissance resources which already exist and have proven effective in both CIA and the Air Force. In particular, he is convinced that the Agency's experience in contracting for and managing both manned aircraft and satellite reconnaissance projects should be made the most of, particularly in situations calling for, as he put it, "quick and dirty results" not achievable under more elaborate and time-consuming procedures of the Air Force.

3. McCone is concerned lest NRO place too much emphasis on R&D advances rather than intelligence collection in the programming of its operations. As an example of such misplaced emphasis he referred to the summer schedule of satellite launches. In this connection he referred to difficulties with COMOR and to the importance of NRO's being fully responsive to USIB's needs.

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Although not agreeing in all respects with Mr. McCone's views, Dr. Fubini and I did indicate our concurrence with the basic principles and objectives as expressed by Mr. McCone. There was also discussion of various measures that might bring about closer working relationships between NRO and Agency personnel, including the possibility--which Mr. McCone will consider further--of making DNRO a member of USIB. It was left that I would review the concerns expressed by Mr. McCone with Dr. McMillan when he returns from leave and also that I would inform Mr. McNamara of our discussion.

/s/ Roswell Gilpatric

cc: Mr. McNamara
Dr. McMillan
Dr. Fubini